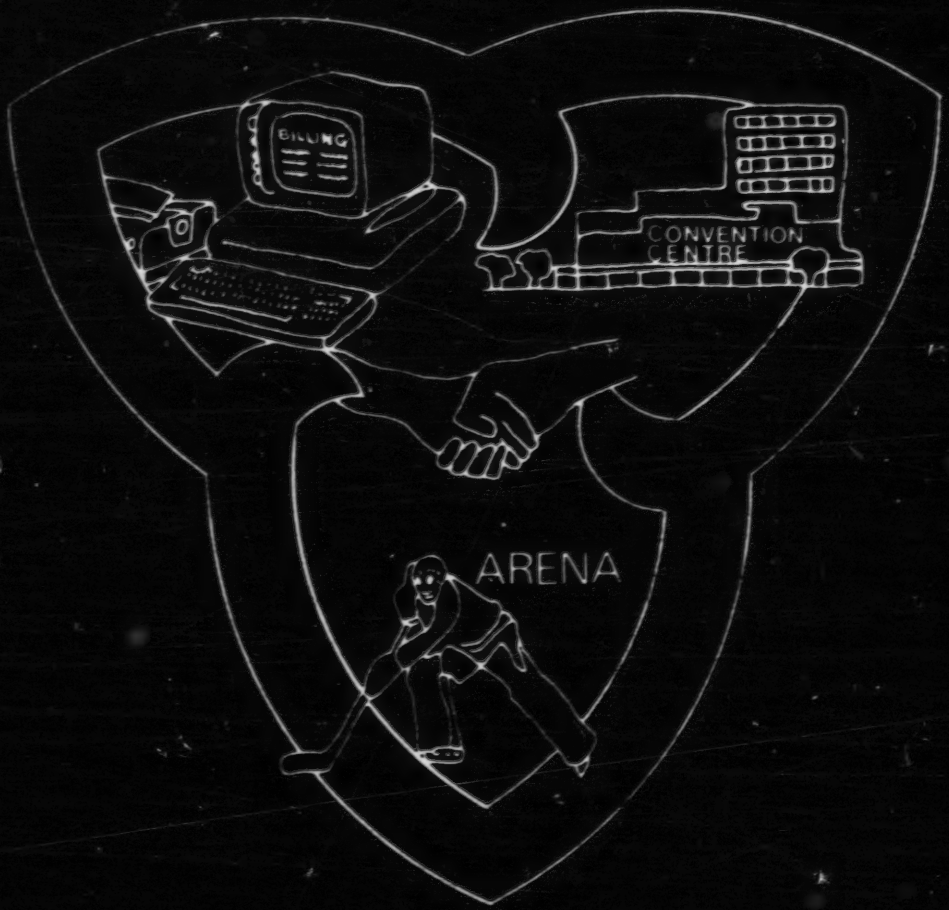
Joint Services In Municipalities

Five Case Studies



A Guide for Municipalities in Ontario

April 1983

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May 1983

I have pleasure in sending you the latest Municipal Advisory Publication issued by the Ministry, "Joint Services in Municipalities".

This publication is another in a series designed to assist municipal governments in their efforts to manage in new and effective ways. Joint administration or financing of a municipal service is an imaginative and challenging way to eliminate waste, avoid duplication and improve the quality of public service.

Sharing among municipal governments is hardly a modern management technique. Ontario's municipal sector has a long tradition of approaching common problems and needs with joint solutions.

A fresh look at intermunicipal arrangements is timely, now that all governments are seeking wise and efficient ways to manage scarce and declining resources. This publication may serve as a useful guide for local officials who are planning new joint efforts. Of special interest will be Appendix I, "Checklist for Successful Joint Services".

This subject is of interest both to elected officials and to appointed administrators. Therefore, I am sending two copies of "Joint Services in Municipalities" to every municipality in Ontario. One complimentary copy is for the Head of Council and the other is for the Chief Administrative Officer or Clerk. Anyone may obtain a copy from the Ontario Government Bookstore, 880 Bay Street, Toronto, Ontario, M7A 1N8, at a cost of $5.00.

We welcome response and comment on this publication from anyone interested.

Yours sincerely

Ward Cornell
Deputy Minister

Attachment

Joint Services In Municipalities

Five Case Studies

A Guide for Municipalities in Ontario

Ontario

Ministry of
Municipal Affairs
and Housing

Honourable
Claude F. Bennett
Minister

Ward Cornell
Deputy Minister

April 1983

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SUMMARY

This publication is about sharing among Ontario municipalities. It describes five very different ways in which local governments have pooled their skills and resources to increase their capacity to manage effectively. Five examples of joint services are presented:

- a purchase cooperative
- a shared computer facility
- a shared recreation and convention centre
- shared sports and recreation program
- a shared clerk-treasurer

Each example represents an imaginative way to generate cost savings and better services by working together. The report discusses the challenges and local needs that prompted the partners to pursue a common solution. It describes how each arrangement is organized and managed, and how its difficulties were dealt with and overcome. What the cases demonstrate most clearly is the value of a joint approach. Much can be gained by sharing, including cost savings, better services, better community relations and better working conditions for staff.

Each case concludes by discussing factors that have contributed to success. Among others, essential elements identified are strong leadership, capable staff, appropriate organization, realistic planning and mutual trust among the partners. These success factors are expanded in Appendix I into a checklist of questions to consider, suggesting how to be successful in setting up a joint service.

The five cases described in this report have broad applicaton. They represent only a small sample of the many joint services which abound in Ontario, and new opportunities to share are limitless. We hope the report is a useful guide to local officials looking for ways to reduce duplication and manage constrained resources more productively.

INTRODUCTION

This publication describes five cases of successful joint services in Ontario's municipal sector. The purpose is to show how joint efforts have saved money, improved service, and generated good public relations. Besides serving as examples, the cases suggest questions to answer when designing a joint initiative. There is an attempt in presenting the cases to emphasize not only the benefits, but also the problems which were faced and resolved.

A joint municipal initiative is the sharing among two or more municipal bodies of the delivery, administration, or financing of a service under municipal jurisdiction. It is an arrangement by a municipality with another council or local government body to carry out the function or service at joint expense and for joint benefit. Depending on its type, a joint service is authorized by the Municipal Act or by other acts governing municipalities.

What are the challenges and problems that prompt municipalities to perform a service jointly? How much time and staff does it take? What are the benefits of a joint effort? What is the key to success? These were some of the questions put to local officials in 1982 for the case studies in this report. The five cases are:

- cooperative purchasing among the City of Peterborough and eleven other authorities;

- the Civic Data Centre, a computer service group shared between the City of Peterborough and the Peterborough Utilities Commission.

- joint use of a sports and recreation facility at the University of Windsor, by the City of Windsor, the County of Essex and the University of Windsor;

- shared recreation facilities and programs by the City of Pembroke and two adjoining townships, Pembroke and Stafford; and

- shared clerk-treasurer among the three townships of Atwood, Morson, and McCrosson and Tovell in the District of Rainy River.

These examples were selected because of their success, as signalled by general public acceptance and by local officials' perceptions. All represent a quality of service which was not affordable to a single municipality; some could not have been provided at all. There are other aspects which make our sample significant and relevant:

- The cases are applicable to other municipalities in Ontario given the appropriate context and people.

- The sample represents a cross-section of Ontario's municipal sector: populations range from 162 to 316,717; the geographical spread extends from the southernmost municipalities of Windsor and Essex County to three northern municipal townships in the District of Rainy River; and municipal types include townships, counties and cities.

- The cases are timely and discuss concerns of major importance to public officials today.

- They were accessible to the researcher, since there were records and people available to allow documenting them.

The focus of the study is on the shared service itself in each case, in terms of its extent and importance to the municipal partners. The report gives a brief history and description of each arrangement and discusses how it is organized, the terms of agreement, and the key persons behind initiating and sustaining the effort. Also reported are problems and constraints and how they were resolved. Recognized benefits resulting from the shared arrangement are outlined. Finally, keys for success are explored, suggesting questions for officials to ask when venturing into a joint agreement. These are summarized in Appendix I: A Checklist for Successful Joint Services.

Officials responsible for the administration and delivery of the five cases were interviewed in the summer months of 1982 by a senior policy advisor of the Municipal Management Policy Branch of the Ministry of Municipal Affairs and Housing. Interviews were informal, lasting about two hours on average. All those interviewed are thanked for their assistance. and special acknowledgement is found in Appendix II.

The questions explored in the interviews form the framework for the studies. What are the challenges that prompt one or more municipalities to seek a joint solution? Once there is a good reason to share, how formal is the agreement between the partners? What exactly is exchanged in the arrangement - the use of a facility, program staff, or information? What is the best context for a successful joint arrangement - one of scarce resources or many, an atmosphere of mutual trust or one of bargaining? Who should negotiate the agreement - councillors, senior staff, or middle management? What is the legislative authority for a joint municipal undertaking? How is the arrangement organized - with a joint committee of councils, with a contract of administration, or some other structure? How much time and commitment are required of the parties to a joint agreement? How do the partners avoid problems that can prevent sharing, such as loss of control, possible delays, or the difficulty of finding a fair cost-sharing formula? What benefits result from joint efforts? What is the key to success? These questions reveal the approach taken, and their answers form the body of this report.

FINDINGS

Many good reasons for sharing are cited in the cases, ranging from problems to opportunities. Problems included the need to replace an obsolete facility, the need to cut back on operating costs while maintaining service levels, and the strain of providing for users who cross municipal boundaries. Opportunities included the promise of price discounts through pooling purchase requirements, and the chance to develop an expert computer staff. In more than one case, common interest at a staff level helped to prompt a joint solution. All cases had council commitment.

Despite their diversity, the cases demonstrate some common factors accounting for success. These are discussed in each chapter, in the conclusion of the report and form the basis of the checklist in Appendix I. Key factors appear to be strong leadership, capable staff, appropriate organization, realistic planning and mutual trust.

Some or all of these elements were present in most instances, but the main conclusion to be drawn is that success depends on finding the appropriate fit between the terms of the arrangement and the local need and character.

What these cases demonstrate most clearly are the merits of joint approaches to common problems and needs. By discussing the benefits that result, and showing how problems were overcome, the report will be of value to local officials contemplating a joint municipal initiative.

APPLICATIONS

These case studies show how five different groups of Ontario municipalities have successfully shared facilities and services. They are examples only, and this report does not claim that they are the only or best models. Many other applications of sharing municipal services can be found in Ontario. A partial listing would show:

- fire protection
- policing
- landfill sites
- special road equipment
- by-law enforcement officers
- building inspectors
- water billing
- dog pounds
- waterworks
- planning staff

These are just a few examples of the many initiatives to share the costs and benefits of municipal services. The five cases in this report and the checklist for success may provide useful reference guides for more joint undertakings among municipalities in future.

I. COOPERATIVE PURCHASING

CITY OF PETERBOROUGH AND AREA

Parties	1982 Population:
City of Peterborough	61,595
Victoria County	48,724
Peterborough County	61,493
Other public bodies	

Date Initiated: 1968

DESCRIPTION OF THE SHARED SERVICE

Since 1968 Peterborough and area agencies and authorities have cooperated in small-item purchasing. Through the Peterborough Public Buyers Cooperative Association (PPBCA), twelve public sector bodies share a system of tendering for commonly used goods and services. As the current membership list shows, participants include the city, two counties and a conservation authority:

City of Peterborough
Trent University
Sir Sandford Fleming College
Peterborough Utilities Commission
St. Joseph's Hospital
The Civic Hospital
Roman Catholic Separate School Board
Peterborough County Board of Education
Victoria County Board of Education
County of Victoria
Otonabee Region Conservation Authority
County of Peterborough

Purchasing of standard items is part of general administrative operations for each authority. Under the PPBCA arrangement the most common items cooperatively tendered include diesel fuel, premium gasoline, liquid chlorine, printed and blank envelopes, photocopier machines and paper.

Brief History

Cooperative purchasing began informally in 1963. In 1968 member authorities created the PPBCA formally by the adoption of a constitution. Their reason for initiating a shared tender arrangement was the expected cost saving through price discounts, as well as increased status with suppliers.

The PPBCA is highlighted in two previous publications from the Municipal Operations Division, Managing Purchasing and Purchasing in Small Municipalities. Both are available from the Ontario Government Bookstore.

Terms of the Constitution

The purpose of the PPBCA is stated simply in the constitution:

> "The objective shall be to derive cooperatively, where advantageous and practical, the best value for each dollar spent."

The constitution spells out membership, voting procedures, tendering procedures, rights to negotiate, principles of cooperative purchasing, finances and amendments to the constitution. Membership is open to any agency or authority whose main source of funds is tax dollars or government funds. Each member authority sends two representatives, one of whom votes. Officers include a chairman, vice-chairman, and secretary-treasurer.

Basic operating principles of cooperative purchasing are outlined in the agreement:

- only goods and services amenable to cost reduction due to volume are considered;
- each authority has the right to opt out of the tender call before the issue;
- control of ordering, receiving and payment is retained by the individual body;
- the authority designated to call the tender shall be decided on an individual basis for each tender.

Usually, the largest user of the commodity calls the tender, with other authorities supplying their individual requirements. Each party may have special purchasing policies. For example, sales tax varies for different authorities. The call would request that quotations specify all taxes as extra, and which percentage is federal sales tax and which provincial. This permits taxable authorities to calculate their final cost themselves.

Each authority retains the right to opt out of the tender call before issue, but must remain in after the call. This precaution protects the bidders, who are quoting on the total volume tendered; they can rest assured no one will back out. Also, the tendering group can negotiate minor changes with the successful bidder without recalling the tender. For example, an extra place of delivery can be added to the tender by sending bidders an addendum. Each party issues its own purchase order and specifies its own delivery schedule and dates.

There are standard tender reply envelopes and opening procedures, and standard conditions and specifications. There is a central specification file accessible to all members, and a copy of each tender is kept for future reference.

All authorities included in a tender must have a representative present for the tender opening. This avoids any controversy over the award to a specific supplier. Best buy is, and is seen to be, achieved.

Finances are clear. Each member pays its own expenses for a call. A membership fee can be charged, "should it become necessary," by a two-thirds vote of members.

Amendments to the constitution are possible, but only at the annual meeting. Any member authority may withdraw its membership at any time after 30 days' notice.

Organization

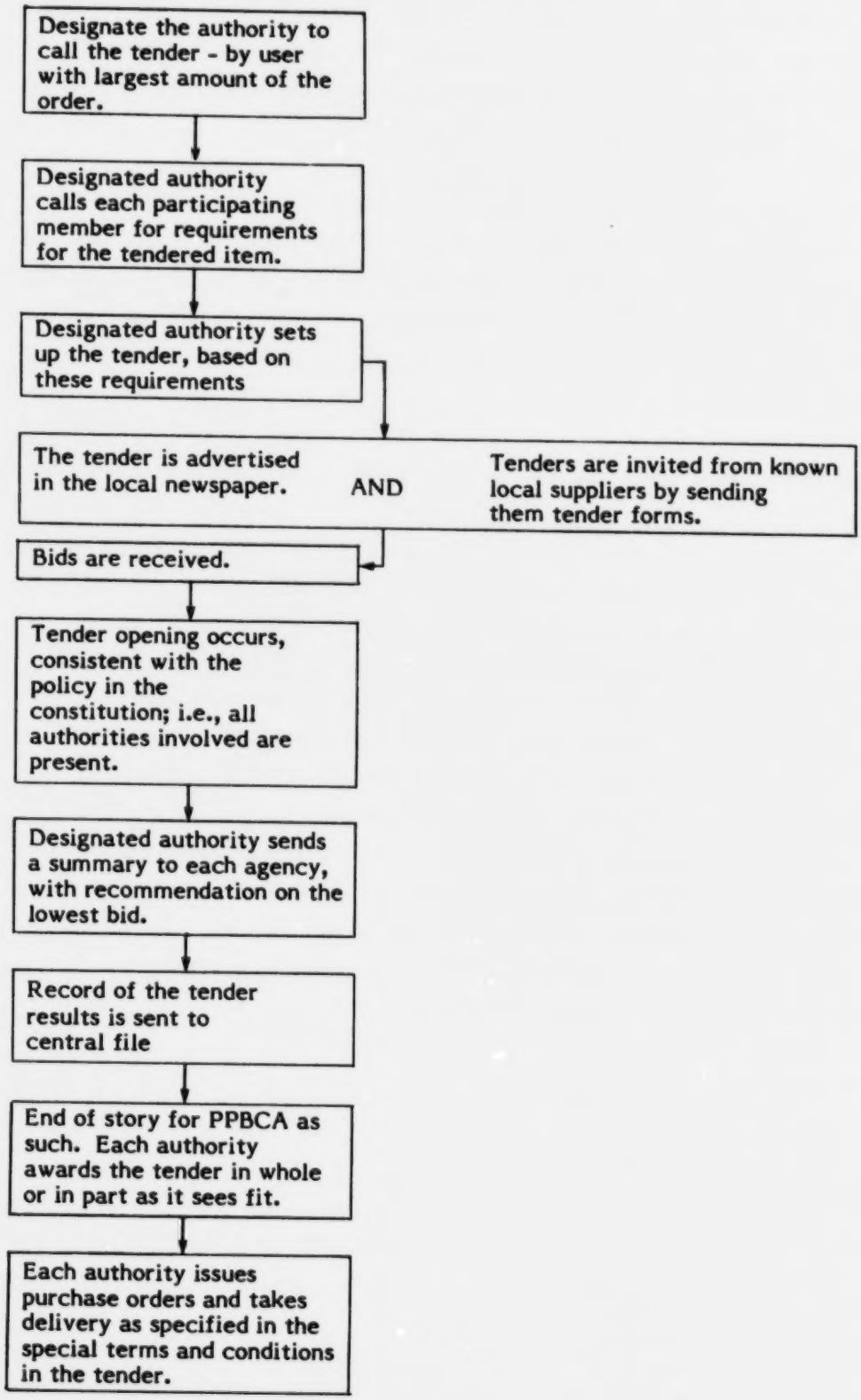
Procedures of the association are very streamlined and there is little red tape to the actual tender process. Activities are carried out by the purchasing agents, who represent each authority involved. A board of directors gives overall policy direction and is composed of one staff member from each agency. As a general policy, the board meets as a whole body, albeit infrequently, to change policies when appropriate. For the most part, management issues are minimal since the constitution is clear on responsibilities and procedures.

Virtually no administrative maintenance is required for the association. The major requirement is the circulation and recording of the results of a tender in the central file. Administration of each tender is carried out by a designated authority, usually the party tendering for the largest amount of the order. Each agency awards the tender, and takes over its own purchasing and setting of delivery dates. For a typical tender such as fuel oil, the procedure follows the steps depicted in Figure 1.

Successful use of the association's services depends on the adequacy of a member's purchase order and inventory control systems. For example, some members use "systems contracting," a method in which they contract for delivery schedule as well the commodity. This helps to

FIGURE 1:

TENDER PROCEDURES OF THE PETERBOROUGH PUBLIC BUYERS COOPERATIVE ASSOCIATION


Designate the authority to call the tender - by user with largest amount of the order.
Designated authority calls each participating member for requirements for the tendered item.
Designated authority sets up the tender, based on these requirements
The tender is advertised in the local newspaper.
AND
Tenders are invited from known local suppliers by sending them tender forms.
Bids are received.
Tender opening occurs, consistent with the policy in the constitution; i.e., all authorities involved are present.
Designated authority sends a summary to each agency, with recommendation on the lowest bid.
Record of the tender results is sent to central file
End of story for PPBCA as such. Each authority awards the tender in whole or in part as it sees fit.
Each authority issues purchase orders and takes delivery as specified in the special terms and conditions in the tender.

reduce inventories on hand and also reduces the number of typed purchase orders. Up to 50% of the work has been saved through this method. It also has saved interest on financing and other carrying costs that would have been incurred.

The commitment of staff and time by any designated authority in a specific tender varies. For the City of Peterborough, for example, an experienced clerk-stenographer spends about 20% of her time on tender administration. For the Peterborough Utilities Commission, the purchasing agent finds that PPBCA tender administration takes as little as four working days a year.

PROBLEMS ANTICIPATED AND RESOLVED

Success in joint tendering depends on meeting every member's needs. Frequently each local board and municipality has its own mandate and policies for purchasing small items. Different purchasing policies of the parties could have obstructed cooperation. This potential problem is offset by two provisions. First, any special terms and conditions are built into the tender when it is advertised. A good example is the tender for photocopying machines. Each party's specifications are set out in the tender call. Secondly, an additional safeguard is that minor changes to specifications can be negotiated after the bids are received. Control of ordering, receiving and settling account is retained by the individual purchasing authority. Each authority issues its own purchase order, specifies a delivery schedule, and does its own quality inspection. In this way, compromise in quality is avoided.

FIGURE 2:

HOW PROBLEMS WERE HANDLED BY THE PETERBOROUGH PUBLIC BUYERS COOPERATIVE ASSOCIATION

REAL OR POTENTIAL PROBLEM	HOW HANDLED
Each party in the association has special policies that affect purchasing. For example, application of sales tax varies among the members. Also, compromise in quality (higher than expected, as well as lower), might be feared.	Special terms and conditions are built into the tender when it is advertised by the designated authority. In addition, minor changes to specifications can be negotiated with the successful bidder without recalling the tender.
Loss of control over local purchasing might be experienced.	After a successful bid, each purchasing authority retains control of ordering, receiving, paying accounts, and quality inspecting.
Tender administration requires strict protocol, or else a tender call is declared invalid. Cooperative purchasing could be confusing.	Clean-cut administration is ensured by designating responsibility for a tender call to the largest user of the commodity (usually the City of Peterborough).
Since regular meetings of PPBCA members are not necessary, continued participation and interest might drop.	Benefits of cooperative tender calls are obvious to all users, so continued participation seems assured. The formal constitution espouses a simple and acceptable objective, and makes procedures clear and well known.

BENEFITS OF THE ARRANGEMENT

Volume buying through the PPBCA results in discounts, compared with each party tendering alone. Centralized administration means lower overhead, since the total number of tenders can be reduced. Cost savings of up to 20% have been reported, as Table 1 shows.

Another benefit is the better use of inventory on hand. It is not uncommon for the PUC and the city, for example, to meet one another's inventory needs when necessary. More even use of inventory is the result, and these two bodies can move inventory items by using their shared computer resource, the Civic Data Centre service. This shared computer service is described in the next section.

By pooling common purchasing needs, each authority has secured a stronger bargaining position with suppliers and the general market. Sometimes surplus conditions in the market present opportunities of which PPBCA members can take advantage. One supplier even tailored his product to a tender call because of the volume sale involved. At other times, a manufacturer interested in a bulk order can design to required specifications. By sharing supplier information, the general knowledge of member authorities about their market is increased.

Administrative benefits are enjoyed. By centralizing the purchasing, the result is greater expertise in the administration of issuing tenders, receiving bids and awarding contracts. Eventually, a designated user gains an experienced tender administrator.

Quality control has improved. By standardizing the purchases, quality is more easily inspected and monitored. By pooling expertise, members benefit by the collective judgement of many purchasing agents who review a tender together and decide the best buy. It is easier to pinpoint irregularities when tender opening is done by a joint committee of users. Constant review of products keeps everyone's knowledge current. Being able to include special terms and conditions about delivery dates and scheduling allows for better control. In addition, members can develop lists of qualified vendors for future calls.

TABLE 1

EXAMPLES OF COST-SAVINGS IN COOPERATIVE TENDERING[1]

Date	Facility	Cost if purchased independently ($ per unit)	Cost through PPBCA tender ($ per unit)	Cost Savings (%)
August 1982	Fenelon Falls Municipal Buildings . fuel oil	29.4	23.4	20
January 1983	Peterborough Police standby generator . diesel fuel	30.9	25.83	16
Early 1982	Peterborough St. Joseph's Hospital . fuel oil	26.88	22.33	17[2]

1 Source: Director, Finance and Administrative Services, City of Peterborough
2 On one fuel delivery, cost saving was $845.00

Convenience is a benefit for vendors because it is easier for them to answer to only one tender call, rather than a large number, each with different specifications. This fact makes for better relations between the public and the private sector and for more professional vendor-buyer relationships.

Finally, a spin-off benefit of the arrangement is the good public relations. Achieving a visible best buy is advantageous for agencies who stand in the eye of the public. The taxpayer and ratepayer can see the tangible benefit of pooling needs and sharing tender administration.

KEYS TO SUCCESS

The basis of success of the PPBCA seems to be good rapport, streamlined administration, visibility of cost savings, common needs and an appropriate constitution.

There is a tradition of good cooperation between many of the PPBCA members, and they work hard at maintaining that tradition. For example, the city, PUC and Trent University have cooperated on many occasions. Information-sharing and not competition is the rule. There is now a network of purchasing agents who consult one another regularly and in emergencies.

Streamlined administration and minimal bureaucracy also contribute to success. The joint part of the purchasing process is kept simple. The constitution makes tender procedures very clear, and tender advertising is a straightforward process.

Cost savings are visible, making the arrangement highly acceptable to the constitutency of each party. Taxpayers and ratepayers know that they are benefiting, so public support flourishes.

Common ground for sharing is another reason for the success of the PPBCA. Staying with commonly used high-volume products guarantees buyer satisfaction. In accord with their constitution, members choose wisely the products they will cooperatively tender. As a general rule, when local bodies run similar services, and have similar purchase needs, there is common ground for sharing.

Another factor contributing to success is the constitution. It ensures clear procedures and commits member agencies to the objectives of the group. Yet much discretion is retained by the individual authority in the tender process. After the bid is awarded, a member has total control over taking delivery and inspecting quality. So the delicate balance between clear-cut rules and member autonomy is maintained.

II. SHARED COMPUTER SERVICES

CITY OF PETERBOROUGH
and
PETERBOROUGH UTILITIES COMMISSION

City of Peterborough **1982 Population:** 61,595

Date Initiated: 1973

DESCRIPTION OF THE SHARED SERVICE

The Civic Data Centre in Peterborough performs computing services for both the Peterborough Utilities Commission (PUC) and the City of Peterborough. Services provided include both common and unique systems, and both special and standard reports. A partial listing of systems includes:

- accounting
- payroll
- inventory management
- tax billing and collecting
- parking ticket issuance and collecting
- utility service orders
- police incident reporting
- debenture information
- local improvement projects
- on-line election reporting
- hydro and water billing
- property status system

Additional systems are being developed. Besides the city and the commission, other clients of the Centre include adjoining municipalities, local boards and Trent University.

Almost all systems are on-line and there are terminal screens at many city departments such as treasury, purchasing and standards enforcement. The Centre develops all its own new applications. No software packages have been purchased; all systems are custom-designed for their users. Furthermore, its programs are in the public domain and can be passed on to other municipalities and public sector bodies.

Organization

Civic Data Centre personnel include a manager, a systems/programming supervisor, two programmer/analysts, three programmer/operators, and one full-time and one part-time data entry and one part-time computer operator. These personnel are on the payroll of the Peterborough Utilities Commission. The computer hardware currently is being lease-purchased by the PUC, who will acquire ownership on behalf of the Civic Data Centre at the end of the lease in five years' time. Expenses and purchases are administered by the PUC purchasing officer.

Policy direction is provided by a joint committee called the Civic Data Centre Steering Committee, composed of five voting members as follows:

- City of Peterborough,
  Director of Finance and Administrative Services
- City of Peterborough,
  Manager of Finance
- Peterborough Utilities Commission,
  Chief Engineer
- PUC Office Manager
- an independent technical advisor from private sector.

Brief History

In the early 1970's the City of Peterborough realized that it needed computer services, but could not afford the large start-up costs. Meanwhile, the PUC already had a computer and data processing staff and wished to upgrade its hardware for more computing capacity. At the same time, the PUC was handling the city's payroll which had been automated in 1970. This fact, and the good working relationship at the staff level, made a basis for further cooperation. The city and the PUC decided to collaborate to buy a bigger computer that could be shared and talks began in 1973. A position paper was developed with recommendations for a jointly managed systems group. Both the city and PUC passed resolutions adopting the recommendation in 1974. The first on-line system developed for the city was tax billing and collecting.

Terms of the Agreement

A written agreement between the city and the PUC established the Civic Data Centre and its steering committee. Agreed upon by resolution of each body in March 1974, the agreement specifies composition and powers of the steering committee, budget and financing, and voting and membership rights.

The city and PUC are equally represented on the committee. Voting rights are one per member. Committee powers include approving the acquisition of new equipment, approving new staff positions, setting priorities and striking rates based on budget and cost.

Each year an operating budget is prepared by the Centre's data processing manager. Then it is reviewed by the steering committee, who may revise it before approving it. In turn, Civic Data Centre services are paid for by users on a usage basis. The city budgets specifically for its service costs under its data processing budget.

The PUC is responsible for the payment of accounts, collection of revenues, budget control, and leasing and contracting of computer equipment. Technically, ownership responsibility and liability fall to the PUC, while the steering committee has policy discretion. The committee strikes user rates based on budget and cost recovery. Costs are broken down by the different jobs provided, such as data entry or system development.

Attaining membership on the committee depends on volume of use of the Centre's services. If an authority receives services amounting to 10% of the Centre's annual budget, then representation on the committee may be granted upon request.

PROBLEMS ANTICIPATED AND RESOLVED

Success in a joint arrangement depends on fair treatment of all parties. Loss of autonomy and control could have been a problem, since the systems unit initially belonged totally to the PUC. The city came into the arrangement later. This potential problem is resolved through the medium of the steering committee. Control through a users' committee means that each party has a vested interest in having the Centre run smoothly.

Another potential problem might be that the needs and priorities of the host authority take precedence over those of other users. Again, the organizational structure solves this problem. The steering committee holds priority meetings, at which the need and importance of various users' systems may be outlined.

Continuing success depends on continuing cooperation. Sometimes joint managing bodies are vulnerable to disagreements. This is resolved here by the committee structure. Its work is part of general operations, and administrators and finance officers direct its activities. Furthermore, having a fifth independent member with a technical background helps to achieve objectivity. This person can swing the vote if a stalemate should arise between the city and the PUC. To date, this has never happened. It also means that the committee benefits from the input of someone familiar with the terms, techniques and equipment of the computer world.

Cost sharing is not a complex problem. Charging by usage means that costs and benefits are clear and easy to determine. Moreover, the steering committee includes three financial people who ensure that the Centre runs on a non-profit cost-recovery basis.

Sometimes staff turnover can be a problem in a newly created joint body. Here, turnover has not been a problem. The Centre tackles interesting design and application problems. In addition, staff are free to concentrate on computer work, since general administration is handled by their "mother" organization, the PUC. The Civic Data Centre offers its staff a great deal of challenge.

FIGURE 3:

HOW PROBLEMS WERE HANDLED BY THE CIVIC DATA CENTRE

REAL OR POTENTIAL PROBLEM	HOW HANDLED
Loss of autonomy could be a problem, especially since the computer systems group initially belonged totally to the Peterborough Public Utilities Commission.	Management and policy control is vested in a users' committee composed of two members from city, two from PUC, and one neutral technical person from local industry. City and PUC enjoy equal representation.
Needs and priorities of one authority might take precedence over those of other users.	The steering committee holds priority meetings, at which potential conflicts of time are resolved.
Cost sharing methods could have been difficult to determine.	Charge by use makes costs and benefits easy to determine. The steering committee strikes rates based on the estimated cost of the components offered.
Joint managing bodies can be split apart by disagreement.	Representation on the steering committee is at the staff level. This is appropriate, since computer systems work is not a municipal service in its own right, but is part of general operations.

BENEFITS OF THE ARRANGEMENT

Better use of the installation, equipment and staff is a main benefit of the arrangement. Concentrating resources in a central Civic Data Centre has ensured effective use of an expensive necessary function.

Avoiding duplication is another benefit of combining data processing requests. For example, payroll was a system easily adapted for city application. Many other systems are common and can be transferred from one public body to another. Accounting is another good example. By piggy-backing on work developed before, costs are saved.

Thirdly, neither the PUC nor the city alone could afford the level of staff expertise represented at the Civic Data Centre. The opportunity to work on municipal as well as public utilities problems creates an interesting milieu for the staff. Unique systems work is possible, offering challenge and broader knowledge. Since the Centre is required to do some sophisticated work, it can attract and retain highly trained people.

Fourthly, having these complex tasks handled in a central group provides better control and use of the products. It also means better deployment of specialized technical staff who are in great demand. Since the Centre handles interesting work, it provides a stable, long-term job opportunity for staff. Other benefits of a central computing unit are the better backup ability and larger computing capacity than would be possible in two separate shops.

Finally, the Centre offers not just data processing. It also provides management information for decisions on questions such as work planning or prudent cash management. In addition, since Centre staff know what is contained in the data base of both the city and the PUC, they can suggest retrieval of certain elements for the benefit of the other authority. They merely ask permission to use the other's data base, whereupon one party has the chance to give something to the other. Both authorities benefit from the fact that the Centre does work for them both.

KEYS TO SUCCESS

User consultation is one reason for the success of the Civic Data Centre. At least once a year, the Centre talks to all users about their proposed systems requests. These are compiled for the steering committee. Usually there is a priority-setting meeting near the end of the fiscal year when next year's budget is discussed. Steering committee members justify their users' systems, resolving potential conflicts of time.

Client relations are important to the Centre. As evidence, there is the insistence that their telephone number be a city hall extension, as well as a PUC extension. They are closer to their clients that way, since users can have access to the interdepartment phone lines, especially after hours. A flexible and supportive attitude by Centre staff is another key to their success. With a strong service philosophy, they never impose a system, they give good turnaround on jobs, and deliver good products. Although the conversion from one computer to another this past year has prevented extensive new systems design, the Centre maintains its reputation for good work.

Competent staff and good products are other success factors. Because it has the power and expertise, the Centre can deliver its users state-of-the-art work. All systems are custom-designed, giving users a share of ownership and control in the resulting product.

Cost effectiveness also accounts for continued success. Pooling data processing resources makes sense since these local public bodies have similar needs in data bases and reporting requirements. Economies of scale occur with a centralized operation. Having an in-house capability is more cost-effective than if the city had to go outside for computer services.

The steering committee structure is another key to the success of the arrangement. With a joint management committee, it is clear that the Centre is a department of both authorities. In a sense, the Civic Data Centre is just another extension of the cooperative purchasing arrangements, described in Section I.

Trust is another big factor. Trust among the steering committee members, as well as between Centre staff and their users in both agencies, is evident. There is a positive atmosphere and good working relationships on an informal basis.

A long tradition of cooperation helps to ensure continued success. Before the formal creation of the Centre, the city used the PUC resource for payroll. No empire had to be torn down and no staff lost jobs in order to create the Civic Data Centre. With a history of success, the Centre now has the potential to expand into other public sectors such as the county, school board and university. This would decrease unit costs even more.

III. MUNICIPAL USE OF A UNIVERSITY FACILITY

ST. DENIS HALL IN WINDSOR

Parties:	**1980 Population:**
County of Essex	118,865
City of Windsor	192,546
University of Windsor	

Date Initiated: 1979 (Complex opened in September 1981)

DESCRIPTION OF THE SHARED FACILITY

The City of Windsor and the County of Essex share the use of sports, recreation and convention facilities at the University of Windsor. Built in 1981, St. Denis Hall is a 5,850 square metre field house, a building with a six-lane track, change rooms, sports medicine room, multi-purpose room and storage. Other facilities shared in the arrangement include the outdoor track, football and ball fields, eight tennis courts, indoor swimming pool, locker rooms, and parking for some four hundred cars. Ownership and operation are the responsibility of the university, as part of its general operations. Policy and management are performed by a Community Use Advisory Board composed of members from the three parties and other agencies. Legislative authority for the arrangement is found in the Municipal Act and the Community Recreation Centres Act.

Brief History

For many years the City of Windsor and the County of Essex lacked a recreation centre large enough for major athletic competitions. In addition, the city needed a place for trade shows and conventions, instead of losing these events to other southern Ontario centres and Detroit. At the same time, the university's existing athletic facility, St. Denis Hall, showed dire need of repairs, and its small size made it inadequate for student use.

With a history of sports activities that have reached across the country, the city and county have often cooperated in events held at the university. University officials decided to approach the city and county for contributions to a recreation complex. At the same time, they visited the local office of the then Ministry of Culture and Recreation for a possible Wintario grant. The local field consultant advised that his ministry could look at the recreation component of the project, if community use was assured. He suggested community input to the planning and design of the facility, as well as financial contribution.

The university struck a steering committee and asked the city and county for representation. Composed of members from city council, county council, university student body, staff from the university's Human Kinetics Faculty, the Board of Governors, and the Ministry of Culture and Recreation, it became the Community Use Committee. Its job was to identify and meet the desires of its members, and communicate progress. Eventually it would negotiate the joint agreement for operating the facility.

From their first meetings, the committee members discussed their various interests:

- The city was interested in ensuring a well-equipped sport and leisure facility for its residents. City officials were also enthusiastic about trade shows and conventions, to help attract trade and commerce.

- The county had a basic interest in both a community athletic complex and a convention centre. With 75% of the student enrolment coming from Essex County, there is strong identification by the county with the University of Windsor.

- For the university, it was important to place emphasis on sport and leisure activity to safeguard its academic excellence in the field of human kinetics. Officials did not want the complex to become exclusively a stadium or convention centre, with potential for abuse and clean-up problems.

The design of the facility would have to accommodate all these preferences. Furthermore, future programs and staffing must continue to meet them, fairly and consistently. This was the challenge facing the Community Use Committee.

From fund-raising efforts, the project began to realize its capital budget. Based on contributions and donations it totalled over $5 million:

Windsor	$1,000,000	spread over five years
Essex County	350,000	spread over ten years
Wintario	1,800,000	
Corporate donations	1,400,000	
Alumni and students	1,000,000	
	$5,550,000	

University officials and committee members looked at construction and design options offered by the architects and engineers. Concept sketches were reviewed by both university officials and the committee and at each stage of the drawings the committee had substantial input. The design settled upon was that of a low building compatible in scale and texture with its surroundings, and with an uncluttered, streamlined interior.

Parking was another challenge identified by the committee. For its part, the city wished to sponsor large shows and conventions. At the same time, the university wished to protect the campus from becoming a concrete wasteland. A compromise was reached. During large, multiple events, a shuttle bus is used to bring passengers from the main campus lots, a distance of almost a kilometre.

Organization

Stemming from the original steering committee, the twelve-member Community Use Advisory Board was appointed consisting of the following representatives:

three appointed by the university
two appointed by the city council
two appointed by the county council
two appointed by the university student body
one appointed by (then) Ministry of Culture and Recreation
two representatives of community use groups, appointed by the above members

As described in an agreement among the parties, duties of the board include:

- advising the university on the fulfilment of the agreement;
- requesting and receiving reports from the university;
- preparing an annual activity report and submitting it to the city, county, ministry and university.

A manager is appointed by the board, to whom maintenance staff report. The number of full-time employees directly related to the operation of St. Denis stands at seven. About sixty-five part-time student employees also work in the facilities.

Terms of the Agreement

Dated January 30, 1980, the agreement runs for twenty years from the time that community use began in September of 1981. First party to the agreement is the university. In return for financial support from the city, county and ministry, the university pledged to make available the specified facilities, including parking space, for community use.

Financial contributions by the two municipalities and the ministry were strictly capital, applied toward the cost of construction. Each contribution came with conditions. For the municipalities, Ontario Municipal Board approval of their contribution was one condition. Another was that the university must be able to support financially the net cost of construction and equipment, after grants and donations. These conditions were met and the fund-raising was successful.

"Community use" is defined by the agreement as use by individuals and groups in the city and county, excluding university academic and athletic programs. The agreement requires that, on average, at least 50% of available hours of the facility shall be dedicated to community use. Furthermore, one-third of these hours must fall in prime time, namely, between the hours of 7 am to 9 am, 12 noon to 2 pm, and 5 pm to 11 pm.

Another rule is that community use shall be at least one-third of total operating hours, and at least one-third of the prime time hours, calculated over any three-month period. (Normal hours of the facility are 7 am to 11 pm, Monday to Saturday, and 12 noon to 7 pm on Sundays.)

User fees are determined by the university after full consultation with the advisory board. Insurance at replacement cost for the field house is the responsibility of the university.

A default clause states that breach by the university of the agreement will entail partial repayment of capital contributions to the city, county and ministry. Amount of repayment would be in proportion to the amount of time remaining for the agreement to run. This provides security for parties to the agreement.

FIGURE 4:

HOW PROBLEMS WERE HANDLED FOR JOINT USE OF ST DENIS HALL IN WINDSOR

REAL OR POTENTIAL PROBLEM	HOW HANDLED
City, county and university had diverse interests in the planned project. The municipalities wanted a community sports and convention centre. The university wanted to preserve its academic emphasis on human kinetics education. These different vested interests could have prevented cooperation.	The university struck a steering committee and included representatives from the city and county. As a joint users' committee, this group identified potentially conflicting goals and negotiated terms and conditions for joint use. It also gave major input at the building design stage, ensuring that the facility would accommodate all preferences.
City and county wanted enough parking to accommodate large trade shows and conventions. The university wanted to preserve campus green space.	The steering committee identified parking as a design challenge. Compromise was found by employing a shuttle bus system. Parking for four hundred cars is provided adjacent to the Hall. When many large events run simultaneously, the shuttle bus is used to bring passengers from parking lots a kilometre away.
City and county wanted to ensure that community access to the facility would always exist.	The community use agreement is very clear about community access to the facility. Hours of use are specified, and include evenings and weekends. The Community Use Advisory Board is charged with overseeing this agreement. In the event of default by the university, repayment of funds to city and county can be demanded.
Fair split in operating costs can be difficult to determine and record.	Operating costs are not part of the agreement to share, other than the usual fees charged to users. Contributions by city and county to the project were strictly capital, and upon default a portion is repayable.

BENEFITS OF THE ARRANGEMENT

Affordability is a major positive note. The most outstanding reward of the joint effort is that the building exists. All three parties enjoy a well-appointed facility that none could have afforded on their own. Furthermore, this benefit is conferred with reduced risk since financial contributions were one-time only.

Improved service is another benefit. Sometimes municipal recreation facilities can suffer from under-use outside peak hours, and from over-crowding at prime time. Community use hours and academic hours tend to complement one another. By sharing the facility among one academic body and two municipal ones, use is evened out. Better recreation service is the result, as well as better return on the financial investment in the facility.

Administrative and political benefits accrue to the parties. Minimum inconvenience in administration occurs because the Community Use Advisory Board ensures that the agreement is carried out. Through the board structure, equal representation ensures equal say in the affairs of the complex. Each party's preferences and priorities are safeguarded.

Goodwill among the three parties and their various publics has been strengthened. The city and county will be in a better position to attract trade and commerce through their use of the field house as a convention centre. For its part, the university is becoming more diversified by opening its doors to community use. In general, all parties have been rewarded by stronger public relations.

KEYS TO SUCCESS

Given the history of cooperation between the city, county and university in other endeavours, it is not surprising that this project has been highly successful. Ingredients that account for success seem to be leadership, an appropriate agreement, enthusiastic teamwork and professional staff.

Community-minded leadership is one key to the success of the project. The original steering committee comprised people of action as well as ideas. Their fund-raising skill and the frequent news conferences kept the project before the public's eye. The sheer generosity of the public and the business sector should also be noted. Every year the United Way drive in Windsor and the County of Essex results in the highest per capita contribution of any of its kind in North America. This same generosity came forward in the funding of St. Denis Hall.

A firm and sophisticated agreement is appropriate for a project as complex as this. Items such as definition of community use and composition of the Community Use Advisory Board are clearly laid out. Yet the board does retain management discretion in such matters as deciding the amount of user fee or the waiving of fees. The two municipal councils have fair representation on the board, and their financial commitment was one-time only. Risk is minimized. Since fund-raising and construction took some time, the agreement was negotiated in an unpressured atmosphere. The committee did not attempt to solve everything at once, but held frequent meetings and briefings. Having a users' committee now helps in operations as well, averting problems before they can occur.

Enthusiastic teamwork is another reason for the project's success. Recreation equipment and facilities are expensive and programs are labour-intensive. Because of the expense, collaboration is common in the recreation field. In addition, consultation and community leadership are part of the training and background of recreation workers. Constant consultation ensured that many mandates could be met.

Finally, the professional input has been first-rate. A good mix of people made up the steering committee, now the Community Use Advisory Board. A manager was hired who brings both academic credentials and innovative ideas for community programming. For all these reasons, continuing success for this joint project seems assured.

IV. JOINT RECREATION FACILITIES AND PROGRAMS

CITY OF PEMBROKE
and
TOWNSHIPS OF STAFFORD AND PEMBROKE

Parties:	**1982 Population:**
City of Pembroke	13,809
Township of Stafford	3,419
Township of Pembroke	1,330

Date Initiated: Joint use of city facilities without a user surcharge began in early 1980

DESCRIPTION OF THE ARRANGEMENT

The City of Pembroke and the townships of Stafford and Pembroke have an arrangement to share all Pembroke city recreation facilities. Each year the Township of Stafford pays to the city a lump sum of $4.00 per household in return for township residents' use of city recreation facilities. These include sixteen parks, two arenas, a marina, and an indoor pool. The arrangement is known as a joint community recreation program, recognized under the Ministry of Tourism and Recreation Act and the Municipal Act. Legislative authority is found in paragraph 28 of section 208 of the Municipal Act.

Additional cooperative recreation efforts are under way. Pembroke deputy mayor recently stated that the city will consult with adjacent townships in planning Pembroke's future culture and recreation initiatives. A recreation needs study, co-funded by the Ministry of Tourism and Recreation, will produce a culture and recreation master plan for Pembroke. In addition, the three townships of Stafford, Pembroke, and Alice and Fraser are observers to the master plan committee. Their input is very important. Finally, there is agreement in principle to consult one another on future culture and recreation development. An atmosphere of collaboration is beginning to thrive.

Brief History

As recently as two years ago, this agreement did not exist. For the use of its recreation facilities and programs, the city was imposing on non-city residents a 100% surcharge over the city user rates. Township councillors and residents protested this arrangement. They argued that their residents should be able to pay city rates since, as individuals and municipalities, they had donated to capital fund-raising campaigns. City officials countered that some population had moved out of the city into adjoining townships. As a result, new facilities had less users than planned. Although the surcharge was difficult to collect and administer, the city held firm. The councils were in sharp disagreement.

Another problem facing the city was its large number of recreation facilities. Some were suffering from under-use because of a shift in the user group. There is a smaller proportion of children in today's society than in the 1960's. Over the last six years, the number of young people under twenty years of age in the City of Pembroke decreased by 10.9%. In comparison, total population dropped by only 1.4% in that same period. As a result there has been a marked change in the user group for recreation. More adults are joining the leisure recreation boom, adults who might be willing and able to pay their way in recreation. In Pembroke, it was felt that the city was subsidizing adult programs, but that it was the childrens' programs that merited the subsidy.

Compounding the problem is the influx of other competition into recreation; community schools, general interest courses and private clubs, among others, provide culture and recreation opportunities. In addition, consumers of culture and recreation activities have become more demanding, more sophisticated. Many parents now expect a social or educational aspect to their children's recreation programs.

Costs and benefits of a service such as recreation are difficult to determine. Finding a fair surcharge is difficult. Both townships argued that their respective stance on surcharging was justified. Calm discussion seemed impossible.

In 1980 events brought about a change in attitudes. The newly elected councils began to view the problem in a new light. Pembroke councillors saw that township use of city facilities could have positive effects. Since recreation and culture cross municipal boundaries, tourist spending can result. It was decided to encourage township residents to come into the city. The surcharge was dropped in favour of a simpler system. The townships agreed to an annual lump sum payment of $4.00 per household. Although no hard research justifies this amount, in the opinion of the participants it is a better arrangement than surcharging.

Organization

The cornerstone of the cooperation is the concept of a "community programme of recreation." Under the Municipal Act and the Ministry of Tourism and Recreation Act, a "community programme of recreation" is a plan to provide for municipal recreation needs. Direction and management of the program is undertaken by a committee called a Municipal Recreation Committee, or MRC. Appointed annually by municipal council, this committee in Pembroke is composed of nine members, five from council and four from the community at large. Powers and duties of the Pembroke Municipal Recreation Committee are outlined in the by-law authorizing its creation, and include:

- developing policies, rules and regulations of the community recreation program;
- working jointly with other providers of recreation and culture services;
- submitting books and accounts to the municipal treasurer;
- submitting to council a proposed budget each February;
- reporting to council annually on its activities.

Terms of the Agreement

The arrangement to share is an understanding between the municipal parties, administered under their general operations. No joint board or

committee of the councils is necessary for the sharing. The city owns and administers its facilities, and special interest groups and clubs rent the space and run their own programs. Since the township pays the city a lump sum each year based on the number of its households, the arrangement is easy to administer for both parties.

BENEFITS OF THE ARRANGEMENT

Better use of Pembroke city facilities and programs is occurring. Up to now, under-use plagued some facilities. With the annual purchase of service, there has been more complete use of facilities and equipment.

An intangible, yet keenly felt, benefit is the move from rancour to an atmosphere of cooperation among the councils. The goodwill developed over solving this problem may infuse other mutual concerns.

A spin-off benefit is that the Pembroke arrangement stands as a good example for other municipalities. In other areas of Ontario, population is shifting from city cores to adjoining townships, with recreation facilities suffering as a result. Pembroke area municipalities have demonstrated a practical solution which can be applied in other areas with this widespread problem.

FIGURE 5:

HOW PROBLEMS WERE HANDLED IN PEMBROKE'S AGREEMENT TO SHARE RECREATION PROGRAMS

REAL OR POTENTIAL PROBLEM	HOW HANDLED
Divisive atmosphere between the municipal councils was preventing an acceptable alternative to 100% surcharging of township residents.	The agreement to share facilities without a user penalty grew out of a change in perspective. Township use of city facilities is viewed positively, since tourist spending can result.
Agreement to share can be difficult to administer.	The arrangement is a simple verbal agreement between councils. No joint board is necessary. Since an annual lump sum payment is made, administration is easy.

KEYS TO SUCCESS

The ingredients which turned strife into cooperation seem to be good leadership, capable staff, precedent examples and good public relations.

Leadership is a major factor. These councils had the political will to enter into an arrangement to share facilities.

Capable staff is another success factor. Both municipal and provincial staff worked together in pooling their expertise. Their informal relationships at a human level helped bring about agreement.

Precedent models of this type of arrangement do exist. Many similar purchase-of-service arrangements have been made between municipalities. Prior knowledge of a solution can keep risk to a minimum.

Good public relations also helped bring about success. Public debate on recreation matters has been lively, both in council chambers and in the local press. For example, the preparation of Pembroke's culture and recreation master plan is bringing together many viewpoints, including those of the townships. Continued cooperation among Pembroke and its neighbours on recreation programs and services seems highly likely.

V. SHARED CLERK-TREASURER

TOWNSHIPS OF ATWOOD, MORSON, AND MCCROSSON AND TOVELL

Municipalities:	**1982 Population:**
Atwood	281
McCrosson and Tovell	258
Morson	192

Date Initiated: 1981

DESCRIPTION OF THE SHARED SERVICE

Mr. Pat Giles serves as clerk-treasurer for the three townships of Atwood, McCrosson and Tovell, and Morson in the District of Rainy River. Appointed by by-law, his duties for the three municipalities include:

- general functions such as attending meetings, recording minutes, handling correspondence, tenders, tax notices and tax collection;
- administering the Ontario Home Renewal Program;
- circulating drainage notices;
- administering tax registration;
- administering notices for zoning and sub-division control and other planning activities.

Running the office on his own, the clerk-treasurer does all the clerical work - filing, answering the telephone, and correspondence. During our interview, a resident dropped by for a burning permit, another called for information, and a reeve came in for an appointment. All requests were handled by the clerk with ease and composure. Records are stored in three physically separate cabinets and of course there are three sets of books and records. The filing system is alphabetic.

Among two of the townships, there is cooperative purchase of culverts. One municipality tenders for and purchases the items, then bills the other municipality for its share. A similar arrangement is made with sharing the services of the road superintendent. In general, there is a tradition of sharing road services, so the context was ripe for sharing services of a clerk-treasurer.

No formal contract to share the clerk exists among the three councils. Each has separately appointed its part-time clerk-treasurer by authority of sections 77 and 79 of the Municipal Act. Legislative authority for sharing personnel is found in paragraph 45 of section 208 of the Act.

Brief History

Mr. Giles began as assistant to the clerk for the Township of Atwood, a position he held from 1976 to 1978. Then in 1978 he was appointed clerk for the Township of Atwood. In 1979, he was appointed clerk for Morson, and in 1981, clerk for McCrosson and Tovell. The latter township and Morson are adjacent. About thirty-two kilometres to the south, through the unorganized township of Spohn, lies the Township of Atwood, nearer to the town of Rainy River. It takes about one half hour to travel from Rainy River to council meetings in McCrosson and Tovell Township and about three quarters of an hour to get to Morson. The clerk's home and office are in Rainy River. Since the town is also the shopping centre for surrounding townships, residents of the three municipalities come to town regularly on business and shopping.

POTENTIAL PROBLEMS

All three jobs are part time and each is authorized by a by-law of each council appointing the clerk-treasurer. Conceivably, there could be a question of how the three councils manage their clerk-treasurer. None has passed a by-law specifying clerk-treasurer duties and remuneration is negotiated by each separately. Generally speaking, there is no joint coordination of the clerk's work for each of the councils. On average, during the nine or ten heavy months of the year it takes more than five days a week to do the three jobs. On the other hand, during slack periods in the other three months of the year, the three jobs require less than a full week's workload. Duties for council meetings are manageable, since meetings are the first Monday, Tuesday, and Thursday of the month, respectively.

Another potential problem is that of divided loyalties. Individual style helps to resolve this problem. A recent event provides a good example. The same road grader and road superintendent are shared by the townships of McCrosson and Tovell, and Morson. McCrosson and Tovell owns the grader and charges Morson the MTC rates for grading services. Morson questioned whether better quality and cheaper work could be done by lease-purchasing their own equipment. Meanwhile, McCrosson and Tovell needs the custom work, to make cost-effective its ownership of the grader. The clerk was asked by Morson to look into the question and report back. He and the road superintendent made a submission to each council on lease-purchase costs. Briefly stated, the submission showed that the intermunicipal contract was more cost-effective than owning and operating two separate graders. A potential dispute was avoided by the clerk's knowledge of each township's situation.

Another possible problem could be posed by conflicting policies with which the clerk has to deal. For example, Morson prefers 5% cash in lieu of land in subdivision and severance proceedings. This policy differs from that of the other two townships. To handle this, Mr. Giles adopts a different style accordingly. Flexibility is an important quality for successfully serving more than one boss.

A real problem is the failure of other government agencies to recognize three distinct municipalities. Frequently, only one copy of general correspondence is mailed to the postal address. The clerk then must make copies for each of the three councils. This is an outstanding problem and the clerk continues to request three separate mailings.

FIGURE 6:

HOW PROBLEMS WERE HANDLED IN SHARING A CLERK-TREASURER

REAL OR POTENTIAL PROBLEM	HOW HANDLED
There is no coordination among the three councils of Pat Giles' duties. It is possible that he could become over- or under-worked.	Since municipal activities in the three townships are consistent and stable, this possibility has not arisen. If sudden change were to occur, each council might consider passing a by-law to spell out clerk-treasurer duties.
There might be the pressure of divided loyalties to three political masters. Policies on the same activity can differ from council to council.	The clerk's individual style helps resolve this pressure. He is well organized yet flexible in his approach to his many jobs.
Favouritism to one council over another might be perceived.	The clerk has no vested interest in any township. His offices and home are located in Rainy River not in any of the townships. There is general public acceptance of the distances involved, and of the central location of the municipal offices.

BENEFITS OF THE ARRANGEMENT

The arrangement is cost effective for each township. They all benefit from greater expertise and experience than they could afford separately. In all likelihood, the days of treating tasks of a clerk-treasurer as incidental employment are gone. In this joint arrangement, each municipality has a qualified person who treats his part-time jobs as a full-time career.

In addition, there are spin-off benefits from the clerk's knowledge of the other councils' positions. By virtue of doing three jobs, he is a central source of information. He enjoys a broader base of knowledge from his three jobs than he would from one part-time job. The Township of Morson is more involved in planning matters than the other two townships; Atwood has more drainage works activities. For a staff person, a joint arrangement can mean a varied and interesting job.

KEYS TO SUCCESS

The success of these arrangements seems due to two main factors: the context must be right and the individual must be suited for the job.

The context is northern rural Ontario. Highly compatible in many ways, the three townships have similar populations, similar services, and similar needs. They all provide road maintenance and drainage works as their main functions, and all three face common problems in delivering services. Sharing road equipment and personnel is not unusual, and there is cooperative purchasing of road equipment. Being small in size and tax base, the tendency to cooperate is great. There is not fierce competition for the same resources, as might be the case in a fast-growing area.

All three townships enjoy a relatively stable no-growth context. Only Morson Township shows possible growth with tourist development. It has three subdivision plans and development agreements in process. In the main, there are few crucial issues in this predominantly rural area, so it

seems to be an appropriate context for sharing clerk-treasurer responsibilities.

There is general public acceptance about the pace, quality and volume of the job of municipal clerk-treasurer. Public expectations of transportation and communication make acceptable sharing a central operating location.

The municipal offices are located in the town of Rainy River, outside of all three townships. Everyone can see that the clerk-treasurer has no vested interest in any one township over another. Rainy River is the nearest shopping district for township residents, and they don't mind coming to town for municipal business as well. Telephone calls are long distance between the clerk's office and the townships of Morson and McCrosson and Tovell. Again, this is a fact of life in the north. Moreover, people understand the part-time nature of the job. They know they are sharing municipal administration services with two other townships and feel they get a good deal that way.

Finally, there is the experience and ability of the clerk-treasurer himself. He brings commitment and a professional attitude to the job. In addition, he has ability in both the financial and administrative areas. He also has the flexibility to bend with the differences in policy of the three councils, yet remain well organized.

CONCLUSION

Each of these five cases demonstrates a successful joint municipal initiative. Yet each uses a different method and set of practices. One, the sharing of Windsor's St. Denis Hall, is the product of a formal agreement. Another is an informal understanding by three councils that they share a clerk-treasurer. In three of the cases, a joint board or committee is involved. Windsor's joint committee includes councillors, while Peterborough's PPBCA and Civic Data Centre joint committees are composed at staff level. Pembroke's sharing of recreation involves no joint board at all. Despite this diversity, the cases seem to enjoy some common benefits and factors for success.

BENEFITS

Benefits most often reported include: (1) cost savings; (2) better services; (3) better community relations; and (4) benefits for staff.

Cost savings were reported in virtually all the examples. Through volume buying, Peterborough's PPBCA enjoys discounts and lower administrative overhead. Windsor and the County of Essex receive the benefit of a well-appointed sports and convention centre in exchange for the up-front financing of construction costs. Peterborough's Civic Data Centre demonstrates the principle of economy of scale. Three municipalities sharing a clerk-treasurer receive expertise at moderate cost. In Pembroke, city and township residents enjoy recreation services without building more facilities and appointing extra staff.

Better service is another common benefit. None could afford singly the quality made possible under these joint arrangements. St. Denis Hall is a good example of a major facility which a municipality could not afford to build and operate on its own. Likewise, the Civic Data Centre in Peterborough exhibits a level of staff expertise and computing capacity which neither the city nor the Peterborough Utilities Commission could afford on their own. And the three small townships of Morson, Atwood, and McCrosson and Tovell would be hard-pressed to find three highly trained part-time clerk-treasurers.

Better return on investment in services occurs. In Pembroke, recreation buildings and programs are finding less under-use by admitting township residents without a surcharge. Through the PPBCA relationship, sometimes the City of Peterborough and the Utilities Commission find they can meet one another's inventory needs.

Positive community relations have been fostered by the joint arrangements described in this report. Pembroke's initiative has spawned an atmosphere of cooperation which may infuse other municipal services. In Windsor, public support of St. Denis Hall was expressed tangibly in hard dollars. Throwing open its doors to the public has broadened the university's image in the community. In Peterborough, the PPBCA consistently exhibits a best buy to the ratepayer and taxpayer. Moreover, the professional approach to tendering cultivates good relations with private suppliers and vendors. Through their association, members in the PPBCA enjoy a better bargaining position, expert administrative staff and the collective judgement of many purchasing agents.

Staff experience benefits too. The shared clerk-treasurer reported that working for three municipalities was more varied and interesting than working for one. He views as an interesting challenge, rather than an obstacle, the different policy emphases among the three councils. Similarly, Civic Data Centre staff in Peterborough enjoy working on some sophisticated data processing applications. Working for two different authorities creates an interesting work environment and cultivates a network of professionals with whom to consult.

KEYS TO SUCCESS

Although the five cases differ widely in method and practice, there were common themes accounting for success. These include: (1) strong leadership; (2) capable administration and management; (3) appropriate organization; (4) realistic planning; and (5) mutual understanding.

Strong leadership is a major theme in these cases. Pembroke's recreation problems were solved through capable leadership. People at both the council and staff levels came together to identify problems and pose solutions. Windsor's $5 million St. Denis Hall is another example. The right skills were brought together in the necessary activities to make the building a reality: ability in fund raising, communications, presentations and sports design, to name but a few. This complicated project depended on good leadership of a professional team.

Capable administration and management were also common factors. The clerk-treasurer for three townships brings a two-sided strength in both finance and administration to his jobs. In Peterborough's Civic Data Centre, the level of staff expertise is well regarded throughout the province. And in Windsor, the Community Use Advisory Board is a capable group. The manager hired for the St. Denis Hall brings both academic and management background to the job. In Peterborough, the PPBCA is a forward-looking group of purchasing agents who consult regularly and keep abreast of current public buying policy. In the Pembroke situation, there are competent staff at both the municipal and provincial levels. The service contract between the municipalities is a tribute to their persistence and ability.

Appropriate organization is another feature of these successful joint efforts. In Windsor's case, a complex project merits a firm and detailed agreement over a long term. Contrast this example with that of Pembroke. The facilities belong to the city, who maintains and administers them, so there is no complicated cost split. A straightforward annual payment from each township based on number of households is appropriate. It is a method easy to administer.

In Peterborough, clearly understood procedures allow the PPBCA to operate with a minimum of administration. Centralized tendering has not created a third level of bureaucracy. Similarly, in the case of the Civic Data Centre, the steering committee structure is appropriate. Composed at the staff level, it represents equally the city and the PUC. For three townships sharing a clerk-treasurer, no complex coordination has become

necessary since the municipalities are stable, and similar in size, services and expectations.

Realistic planning of tasks is another theme. Pembroke's solution took time to come to fruition. In the interim, key people brought forward research on user charges. Public debate on Pembroke recreation facilities ensued until a general strategy for recreation began to emerge. These activities took place over a period of about two years, so that changes took place gradually. In the Rainy River area, the arrangement to share a clerk-treasurer is in line with residents' expectations of municipal service and administration. For Windsor's St. Denis Hall, each partner's expectations were taken into account by the advisory committee when making decisions on design and use of the facility.

Mutual understanding at a human level was commonly reported. Members on the steering committee for the Civic Data Centre in Peterborough cited trust among committee members as a major factor. Data Centre staff also mentioned trust and support between themselves and their users. By sharing a clerk-treasurer, three councils are trusting the integrity and commitment of one individual.

Leadership, capable staff, organization, planning and trust: These seem to be essential elements for success. However, each case combines these elements uniquely. Each has a different context and each varies in how the solution was reached. Local circumstances vary across the province, from rural to urban area community, and from trends of small growth to decreasing population. Successful cooperation depends on fitting an arrangement to local character and needs.

Opportunities for joint efforts are limited only by the imagination of local officials who want to save money and improve service. Given the right combination of people, tasks and organization, sharing facilities and services can be highly successful. In the 1980's the municipal sector faces increasing public expectation at the same time as it experiences shrinking revenue. Pooling risks and sharing benefits may be a timely solution.

APPENDIX I

CHECKLIST FOR SUCCESSFUL JOINT MUNICIPAL SERVICES

INTRODUCTION

This checklist includes questions for municipalities to ask when deciding to share a service or facility. Sharing can include administering or delivering the service, helping to finance it, or all these aspects. Although joint efforts take many forms, the usual intent is to save money or improve the service.

Questions to consider when designing a joint arrangement are grouped into items about background, organization, agreement terms, common problems and accountability.

I. BACKGROUND QUESTIONS

Successful cases of cooperation have some aspects of background in common. Trust and strong leadership are often reported. Clear and realistic expectations are also necessary. Municipal parties may share a boundary, have similar growth trends, or deliver the same level of service. The following are some background questions that should be asked:

1. What is the problem to be solved through the joint arrangement? Is it financial constraint, or increased demand for service? Perhaps a municipality cannot afford a service or facility on its own.

2. What is the expected benefit of the joint effort? It might be lower cost for the current level of service, or it might be improved service. Other benefits might be wider choice of goods and services, or more expert staff, tighter budget control, or more stable revenue and cost flow. Still another benefit might be a stronger bargaining position for the municipality within its market of suppliers.

3. Can there be a climate of cooperation between the parties? Can agreement in principle be found easily? Is there a long tradition of cooperation or is this a new idea whose time has come? Is there mutual trust of members' motives?

4. Is there a need that can be better met by joint agreement than singly? Are there common requirements in goods or services? Are the requirements when pooled large enough to show cost savings or improved service?

5. What will be the unit of exchange? Will funds be exchanged for staff or service, or will there be a mutual exchange?

6. Can the costs and benefits of the joint arrangement on both the capital and operating side be measured? On what basis will cost sharing be determined?

7. Are council and staff committed to the time and cost required for the joint effort? Is there strong leadership and capable staff behind the project?

8. Is a study of feasibility necessary, or can requirements be identified during the process of negotiating the agreement?

II. ORGANIZATION QUESTIONS

Appropriate organization is another feature of successful joint efforts. Each community differs in how it builds cooperation. Organization may be complex and formal, or simple and informal. The best structure depends on the local context and the problem to be solved. The following questions ask how the arrangement should be organized:

1. What type of joint program is best suited to the needs of the participating municipalities? What is the best model? Possibilities are numerous, such as:

- a host municipality owns the facility or service, and contracts back on a fee-for-service basis;
- a host has ownership, but there is joint decision-making and joint control;
- a separate entity is jointly established to own and operate the facility or service.

2. Are there any precedents in other jurisdictions? What are their positive and negative qualities? Can a sample agreement or contract be used?

3. What is the legislative authority for the joint agreement?

4. How will financial contribution be decided? Will members share capital costs and operating costs? Will they pay a membership fee? What will be the basis of sharing the administrative overhead?

5. Who will disclose financial and operating results? Who will appoint auditors?

6. At what level will negotiations take place: at council level, at management or staff levels? Should a consultant be engaged?

7. On what basis should the project be managed? Should there be a management committee? How will members and officers be selected? Should there be a full-time or part-time coordinator, or is formal coordination necessary?

III. PROBLEMS

Successful joint efforts depend on facing some well-known problems. The following questions outline real and potential obstacles to successful cooperation:

1. Can participation be secured and sustained on a voluntary basis? How will continued commitment to the agreement be ensured?

2. How will partipants avoid lengthy discussion and debate? What measures will ensure timely agreement?

3. Will participating authorities have to compromise quality of goods or services, either higher than expected or lower?

4. Are delays feared? Will there be queuing up? How will this be resolved: through a joint committee, or through administrative procedures, for example?

5. Will there be loss of local control? If so, how can this be avoided or compensated? Will members resist central control?

6. Will there be sufficient flexibility? Will participating jurisdictions be locked in to the arrangement? How can the arrangement be altered? How flexible should it be? Will it be renegotiated each year? Will it be terminable within term of council?

7. Will staff morale be affected? Are there personnel or union policies which prevent cooperation?

8. Can competing and diverse mandates of participating authorities be met? How will favouritism and conflict be avoided: through the committee structure, by involving users, by separating management tasks from policy-making, for example?

9. What is the degree of risk? For example, one-time capital contribution keeps risk to a minimum, and so does following a tested precedent agreement or organization.

IV. AGREEMENT TERMS

Some joint initiatives are informal arrangements that require only a council resolution. Funds may be exchanged on a fee-for-service basis. Other initiatives may involve more complex exchanges and require a sophisticated agreement. Successful agreements contain some or all of the following terms of reference:

- objective of the joint arrangement
- description of the service or function being shared
- legislative authority
- ownership responsibility and liability, and disposal of assets upon dissolution of the agreement
- insurance and indemnification clauses
- record-keeping, both financial and administrative
- budget of necessary costs broken down by item and sharing formula
- method of payments
- term of the agreement, possibility of extension, conditions of opting in and opting out
- conditions on which a party may terminate the agreement and what happens upon termination
- default penalties
- resolution of disputes
- non-assignment of agreement
- powers and duties of parties to the agreement, and appointment of officers and their responsibilities, including auditors
- decision-making and meeting procedures
- administrative procedures, such as competitive bidding, awarding tenders, purchasing, distributing goods, and so on
- release of information and accessibility of records specify if any matters are to be confidential
- reporting requirements
- monitoring to ensure that terms of the agreement are met.

Whatever specific joint agreement a municipality decides to adopt should be reviewed by the municipality's solicitor as to legality and adequacy.

V. ACCOUNTABILITY QUESTIONS

Successful joint efforts depend on treatment which is fair and clear. Cooperative arrangements must be able to withstand the same public scrutiny as any matter under municipal jurisdiction. The following questions consider aspects of accountability:

1. How will details of the shared arrangement be accounted to each elected municipal body? Are there clear reporting relationships?

2. How will the agreement be monitored? How will confusion of responsibilities be avoided?

3. Which party will ensure record-keeping? Will records, forms and procedures be made available to other public bodies? Will a procedural manual or terms of reference be produced and made available?

4. Will the joint arrangement allow for regular evaluation of the effectiveness? Who will evaluate?

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